

**AGENDA FOR  
CITY COUNCIL MEMBERS' "NOON" MEETING  
MONDAY, OCTOBER 6, 2003  
Immediately Following Director's Meeting  
CONFERENCE ROOM 113**

**I. MINUTES**

- \*1. Minutes from Council Members' "Noon" Meeting of September 22, 2003.
- \*2. Pre-Council Meeting Minutes - RE: City Council Final Vote On Mayor's Proposed 2003-04 Budget - August 13, 2003.
- \*3. Pre-Council Meeting Minutes - RE: Lincoln Fire & Rescue - Ambulance Rate Increase - August 18, 2003.
- \*4. Pre-Council Meeting Minutes - RE: Cost Of Rural Services Study - September 22, 2003.
- 5. Pre-Council Meeting Minutes - Executive Session - RE: Litigation - September 8, 2003.

**II. COUNCIL REPORTS ON BOARDS, COMMITTEES, COMMISSIONS AND CONFERENCES**

- \*1. Mayor's Outdoor Dining Review Committee Meeting (McRoy/Svoboda)
- \*2. PRT Meeting (Newman)
- \*3. Downtown Lincoln BID Association Board of Directors Meeting (Werner)
- 4. Community Development Task Force Meeting (Friendt)
- 5. Internal Liquor Committee Meeting (McRoy/Newman/Svoboda)
- 6. Mayor's Outdoor Dining Review Committee Meeting (McRoy/Svoboda)

**OTHER MEETINGS REPORTS:**

**III. APPOINTMENTS/REAPPOINTMENTS - NONE**

**IV. REQUESTS OF COUNCIL FROM MAYOR - NONE**

**V. MEETINGS/INVITATIONS**

- 1. DAVIS DESIGN - Annual Pre-Game Party on Saturday, October 25, 2003 (Starting 3 Hours Before Kick-Off) - At Davis Design, 211 N. 14<sup>th</sup> Street - Please RSVP by October 21<sup>st</sup> to LeAnn at 476-9700 or E-Mail. (See Invitation)
- 2. 2003 Urban Community Improvement Program Conference and Luncheon - on Saturday, November 1, 2003 from 8:30 a.m. to 1:15 p.m. at Mahoney State Park Lodge - RSVP by October 27<sup>th</sup> - (Cost- see brochure)(See brochure for more details)

3. Lincoln - The Community of Opportunity Greater Lincoln Sports Alliance - You're Invited to attend a new event on Lincoln's Sports Scene mark your calendar - Wednesday, October 8, 2003 from 6:00 p.m. to 8:00 p.m. experience Nebraska's most famous venue Sky-View Lounge Memorial Stadium be a part of Live Radio Talk Show featuring UNL baseball coach Mike Anderson and Pinnacle Sports Network's Gary Sharp - enjoy cash bar, food 7 spirits - Advance Reservations: Tickets are \$15.00 per person (\$20.00 at the door) - RSVP, call 434-5344 or E-Mail. (See Invitation)
4. The Lincoln Chamber of Commerce invites you to attend the following Ribbon Cutting: - Please RSVP to Tera Pugh at 436-2355 or E-Mail:
  - A.) Farm Credit Services of America, 855 Fallbrook Blvd. on Thursday, October 9, 2003 at 11:00 a.m.
5. Lincoln Chamber of Commerce - Business to Business Tradeshow - on Tuesday, October 7, 2003 from 10:00 a.m. to 6:30 p.m. at The Cornhusker Hotel - Networking Reception from 5:00 p.m. to 6:30 p.m. - Get your complimentary tickets-in advance (or pay \$5.00 at the door) (See Invitation)
6. Lincoln Chamber of Commerce - Face The Chamber - Join the Chamber for lunch as we discuss the search for the new Lincoln Public Schools Superintendent on Wednesday, October 8, 2003 - from Noon to 1:00 p.m. - (Registration begins at 11:45 a.m.) - at the Country Club of Lincoln, 3200 S. 24<sup>th</sup> Street - Admission is \$13.00 prepaid by Oct. 6<sup>th</sup>; \$18.00 at the door or after Oct. 6<sup>th</sup>, and includes lunch - Please be advised, no-shows will be billed - Please RSVP by October 6<sup>th</sup> to Tera Pugh at 436-2355. (See Invitation)
7. GALLUP-Riverfront Campus Open House - You are cordially invited to attend an Open House in Celebration of The New Gallup Riverfront Campus on Monday, October 20, 2003 from 4:30 p.m. to 7:30 p.m. - 1001 Gallup Drive in Omaha. (See Invitation)

**VI. MISCELLANEOUS - NONE**

**VII. CITY COUNCIL MEMBERS**

**VIII. ADJOURNMENT**

**\*HELD OVER FROM SEPTEMBER 29, 2003.**

MINUTES  
CITY COUNCIL MEMBERS' "NOON" MEETING  
MONDAY, OCTOBER 6, 2003  
CONFERENCE ROOM 113

*Council Members Present:* Jon Camp, Chair; Terry Werner, Vice-Chair; Jonathan Cook, Glenn Friendt, Annette McRoy, Patte Newman, Ken Svoboda; *ABSENT:* None

*Others Present:* Mark Bowen, Ann Harrell, Corri Kielty, Mayor's Office; Don Herz, Finance Director; Dana Roper, City Attorney; Joan Ray, Council Secretary; Darrell Podany, Aide to Council Members Camp, Friendt and Svoboda; Nate Jenkins, Lincoln *Journal Star* representative.

Prior to the Items on the "Noon" Agenda being addressed, Chair Camp called Mr. Don Herz forward to give a presentation. Ms. Ray requested that, before the presentations were begun, that she be permitted to introduce the new Joint Receptionist to the Council Members and those in attendance at the meeting today. Ms. Mary Meyer was then introduced to the gathering.

Mr. Don Herz then proceeded with his presentation on the contract for the Management Consultant for the City. The City contract for a financial advisory service, which is currently held by Ameritas, is up in October. A Request for Proposal has been prepared which is actually "out on the street". This is a joint effort with the County, because of the fact that we have the Public Building Commission, so it makes some sense to have the same advisor as far as the bond issues are concerned. Mr. Herz noted that the reason he was before Council today is that the contract has been put together with the standard four year, plus an option to renew for an additional four years. If four years from now we're satisfied with the service that is being provided, we could come forward to the Council again and ask, through a resolution, to extend it for four years. Mr. Herz wanted to make sure that that was okay. He noted that if it is not, the RFP could be amended to make the contract for just the normal four year period.

Mr. Cook commented that he wanted to make sure there were no babysitting scandals, or anything like that with this contract. Mr. Herz answered that that was why he was here.

Mr. Camp asked if there were a "normal" four year period. He noted that there was a 'four plus four' on the towing contract. Mr. Herz responded that, generally, a multi-year contract goes for a four year period. He stated that he did not know if that was policy or if that is [by ordinance.]

Mr. Cook asked what the financial advantages were for going with the four, plus an option for four? Mr. Herz stated that there were a couple of things. He stated that they may get a little more competitive bids, because the bidder would be able to amortize any costs over the four years. Of course, if we are satisfied with the service, then we don't have to go through the RFP process every four years...we just benchmark their performance and come back to Council and say we think they've done a good job & we would like to renew for an additional four years.

Mr. Friendt asked if the extension of the contract term would require Council approval, so there would still be a point of review to determine if we are satisfied. Mr. Herz indicated that that was correct. Mr. Cook noted that we would just not know...unless we decide to terminate it and go out for bids...whether the price is good or not. But, the option is open to us to decide to check it out.

Mr. Herz indicated that the decision criteria is fairly important. There would be somebody who would have the requisite experience. Certainly, fees enter into the decision, but the firm that we're dealing with will have perfect qualifications. Mr. Cook asked if the addendum of the four years would make a difference on the bids we receive? Mr. Herz replied "most certainly", though he doubted that there would be too much difference in a bid with the four year add.

It was noted that the bid opening was October 22<sup>nd</sup>. The resolution will probably be brought forward sometime in the first to middle part of November. Mr. Herz noted, in answer to a question from Mr. Cook, that they would expect probably a half-dozen bidders, at the most.

Mr. Werner asked about the fees and commissions involved. Mr. Herz commented that for the service when we issue bonds, there is a schedule that outlines a percent of the amount of bonds that we issue....that would be their commission. Mr. Werner asked, beyond that, do we pay them for financial advice? Mr. Herz stated that we have not. The contract does provide for an hourly rate for services beyond issuing the bonds; but, at least, with the current provider.... Mr. Werner asked if the current provider bills us when he comes to testify and do we pay him? Mr. Herz indicated that he has never billed us. Mr. Werner asked, though, if he could. Mr. Herz indicated that he could - the provision is there. Council suggested that that provision be removed from the contract. Mr. Herz answered that they could, but he would like to have the fee based on issuing bonds - and based on that only. He stated that if they want the consultant to come in and analyze the City's cash management practices, he would prefer to pay for that separately. He would hate to have the fees for the issuance of bonds driven up because of that. The work our current consultant has done on the infrastructure, he has done as a public service - as a volunteer.

Mr. Werner asked, what, typically, the charge would be on the issuance of a million dollar bond. Mr. Herz answered that on a million dollars, it would be \$2,000.00 of commission. Mr. Herz noted that beyond that, there is an underwriters discount that could be anywhere from \$5,000 to \$7500 in commissions. Mr. Werner noted, then, the commission on \$1,000,000 would be about \$10,000.00.

Mr. Camp asked if the contract was already written at four plus four? Mr. Herz indicated that it was.

## I MINUTES

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Chair Camp requested a motion to approve the above-listed minutes. Ken Svoboda moved to approve the minutes, as presented. The motion was seconded by Glenn Friendt and the minutes were approved, as presented, by general consensus of the Council.

## II. COUNCIL REPORTS ON BOARDS, COMMITTEES, COMMISSIONS AND CONFERENCES -

\*1. MAYOR'S OUTDOOR DINING REVIEW COMMITTEE -(McRoy/Svoboda)  
Ms. McRoy noted that this was the fastest moving committee, as far as getting results, that she has ever been on. Mr. Svoboda noted that we would have to thank Larry Small for that. He really is a work-horse on this. It's really going quite well. Mr. Svoboda stated that he also appreciated Nader's [Nader Sepahpur] involvement, noting that he is a business man who recognizes the stiff competition in downtown Lincoln, but certainly doesn't look at restricting that competition to benefit himself. It's just been very refreshing to hear his comments.

One of the comments that Council will be addressing in the next couple of weeks is the fact that there are a couple of bars that are looking at establishing a sidewalk café in front of their business. 'Not a beer garden', but in essence, it would be a beer garden, on the frontage of "O" Street - or anywhere, for that matter, in downtown Lincoln - Haymarket included. Nader [Sepahpur] is very adamant about the fact that we really can't restrict them, because after a certain hour of the late afternoon, the majority of his business is alcohol related. Why should they be treated any differently.

One of the things we're looking at is the fact that a couple of bars downtown right now have some very huge lines that take up City right-of-way - as patrons stand outside the bar waiting to get in of an evening. One of the things we're looking at as a policy would be to simply say 'you've got that space to use as a sidewalk café and the patrons would all have to be seated....their would be no standing, so 60 people drinking beer couldn't be pushed into a sidewalk café. The space would be taken up by an over-flow line, or you take it up by your sidewalk café. You can't have both.'

That is one of the issues we're wrangling with right now -whether to allow just alcohol sales with no food. Ms. McRoy noted that the definition of "food" was being looked at based on the State definition. She stated that it was updated last week through ordinance for the Health Department. One of the things we're going to hang our hat on, eventually, is how the cafes are tied to a commercial kitchen. If food is served, "food" must be defined.

Mr. Cook noted that sidewalk cafes had been excluded from the clean air ordinance. He asked if that had come up in the discussions? Mr. Svoboda stated that early on, they had discussed it, but the Board of Health amended their draft to eliminate sidewalk cafes and beer gardens, so it became a non-issue at this point.

Discussion continued briefly with the notation that there had been a roof-top beer garden proposed. It was noted that there are no provisions to either allow or deny such a proposal.

Ms.McRoy noted that the committee was looking at all B-2 Zoning in its considerations and not just the downtown area. Further discussion ensued briefly on related, but less pertinent, issues.

\*2. PRT (Newman) - Ms. Newman reported that this meeting went very well. She noted that there were still a couple of properties on the list, but she wanted to say -lest she sound always negative- it is incredible that in a City the size of Lincoln that we have only a few problem properties in town.

There had been a PRT Plus meeting last week. Ms. Newman noted that this group was making some real headway as to how to make things work more efficiently and get things streamlined. As Ann put it, we make a list from each of the different departments as to what 'the low hanging fruit' might be which could be plucked straight away. She noted that there are a couple of things that fit that criteria.

\*3. DOWNTOWN LINCOLN B.I.D. ASSOCIATION BOARD OF DIRECTORS (Werner) Mr. Werner reported that they had met at the Landmark One and had a tour of that facility. There was also a presentation on the Lincoln Mall Streetscape. Mr. Werner noted that they had approved financing on that - approximately 1.2 million dollars. The bids had come in under their original expectations of about 5.8 million dollars. He stated that he had been assured that the extra money will not be spent to do other things. It was a good presentation and the project will be a very nice one.

Mr. Cook stated that when Council had asked about what was being done to the Mall, it hadn't been made clear to him; after all of the things not being done had been noted, what was left? He enumerated some of those things not being done: 1) Nothing with the trees on the median (which some people don't think are very attractive); 2) Nothing would be done to enhance the lights, which had been done on the cheap... Mr. Werner responded, noting that they were doing a lot with the bus stops; some money will go to the engraving of Lincoln Quotes here and there in the area.

Mr. Werner added that there was some sidewalk renovation. The sidewalk will be moved out near the intersections. They're putting some circles [roundabouts] on a couple of the intersections. Ms. Harrell stated that if Council Members were interested, she would have Urban Development send a memo summarizing where things stand at this time. She added that there is an element of thought for injecting an "Abraham Lincoln" theme up and down the mall, such as some Lincoln quotes in areas where there is stone or concrete for engraving. There has been some private interest expressed in adding some sculpture.

Mr. Werner noted that he had also had some concerns initially, because he hadn't known where the money was going when they weren't going to be doing landscaping; but there is some landscaping in the plan. He felt better about the project after the presentation.

Mr. Cook asked if anyone else thought the trees were really attractive? Mr. Svoboda responded, noting that they are Mr. Enersen's design. Out of respect to his memory, those trees will stay. They were his favorites (weeping crabs). This was one of the last projects that he designed for the City.

4. COMMUNITY DEVELOPMENT TASK FORCE (Friendt) Mr. Friendt reported that they had held an election of officers. Sheryl Jordan is the new Chair; Jeff Gorgen is the new Vice-Chair. Jon Carlson stepped down. We took a look at the Performance Review for our Comprehensive Plan for Community Action. There will be a televised review in November or early December. Some amendments to the Consolidated Plan were reviewed, including transfer of funds back and forth. We agreed to a meeting calendar for next year. They will be meeting every two months. One of the key items will be a special meeting on November 20<sup>th</sup> at which time we will approve the finished Urban Development Plan that gets submitted to Washington, D.C.

5. INTERNAL LIQUOR COMMITTEE (McRoy/Newman/Svoboda) Mr. Svoboda noted that since the Committee had not met for over a month, the meeting had been devoted for the most part to report updates. Mr. Svoboda didn't remember what specific issues were on the table. Ms. Newman stated that the "Council Wish List" - on liquor zoning issues had been discussed.

Ms. Newman stated that they tried to make the zoning go with the operator rather than with the land use - which will be a legislative change at the State level. In California and Oregon, that practice has been initiated. The law states, basically, that a license can be revoked if the holder does not abide by certain rules. This is done rather than having the zoning going with the land.

Mr. Svoboda noted that this will be something that the Committee will formally ask the Council to put on their legislative calendar - to see if it is something that we want the City Lobbyist to at least pursue.

Mr. Cook stated that it may be easiest to get that change made in relation to liquor. But, that has been a 'bugaboo' with Special Permits on anything. They're always granted based upon the operator. Yet, they go with the land. We never know who will be buying it in the future. It would be nice if we had a mechanism to require people to come back and get a new Special Permit and show their suitability for whatever exception they're wanting in the Zoning Code. Could we add that to our discussion - or is that casting too broad a net? He didn't want to make it impossible to get this to the legislature.

Ms. McRoy stated that the Liquor Control Commission has the final say. So, attaching that amendment would.... Mr. Cook noted that if we were going to the State Legislature, though, lobbying them to change, basically, how zoning is handled in these cases... You're saying to ask them to make a change to Special Permits for Liquor, specifically. Ms. Newman stated that that is how it has worked in other states. She noted that she was not sure it's applied to bed and breakfasts or ...

Mr. Cook asked if it was thought that at this time we shouldn't pursue that - wait and see how the Liquor issue goes with the change first? Ms. Newman answered that she thought they needed to let Joel Pedersen look into the legal ramifications and maybe we should wait until he forwards his recommendations. Then we can see how much it actually covers.

6. MAYOR'S OUTDOOR DINING REVIEW COMMITTEE - Second Meeting.  
See Report at #1 Above (McRoy/Svoboda)

OTHER MEETINGS - None

III. APPOINTMENTS/REAPPOINTMENTS - None Noted. Ms. Kielty informed Council that there have been a few people who have gone off of Commissions. She noted that they were looking for someone for the Citizen Police Advisory Board; for Human Rights Commission; and three actual appointments to the Community Development Task Force. Two of those will be forwarded by the Mayor soon. We're still looking for one other person for the Task Force. They do target the low- to moderate-income areas. We're looking at Clinton, North Bottoms, South Salt Creek, Woods Park and Havelock areas for representation residency.

Mr. Camp noted that Council Members would forward their suggestions for those positions to her.

IV. REQUESTS OF COUNCIL FROM MAYOR - Mr. Bowen commented that he has had a couple of different conversations with the Omaha Council on the proposed Joint Meeting between the two Councils. November 5<sup>th</sup> was the date on which most of them could attend. The meeting will be held at their Council Offices in Omaha with a tour of the new facility [Convention Center]. The meeting will be in the afternoon at approximately 2:00 p.m. That time if flexible. There might be a way for Omaha to pay for a dinner, too.

Mr. Bowen added, that if Council is willing, the Administration has put together some input for a pre-budget discussion. We could have that here [on November 5<sup>th</sup>] just before we go up to Omaha. This meeting would last approximately an hour-and-a-half, or so. We would discuss where we are with the budget; what we'll be looking for in the projections. We'll have very few projections at that point, but we'll have an idea of what may be coming down the road. This meeting would begin, if Council is willing to have a working lunch, at approximately 11:30. Then we would be on the road to Omaha by 1:00 p.m. It was noted that they could eat on the way and take a bus up. Mr. Bowen asked if they would like to travel together. The Council agreed that that would be good. Mr. Bowen stated that he would see about getting a shuttle bus (or, as one wag suggested, a Hummer) to transport the Council & Staff to Omaha for the Joint Meeting.

Mr. Friendt stated that he had attended the Flatwater Regional Planning Conference in Omaha where they had presented findings on what they forecast happening in the region on a 25-year basis. It doesn't directly impact Lincoln, but there will be some ramifications if their projections are correct about pushing growth out to the west and south. Mr. Friendt asked if anyone else would be interested in having an update on that presentation. Mr. Werner asked if it is the same group that had presented at the last Joint Meeting. [Joslyn Foundation] Mr. Friendt noted that they had more specifics and the Omaha Planning Department had obviously taken this data and taken it further. Mr. Friendt thought it would be an item of interest for the Agenda.

Mr. Bowen stated that another Agenda item that had been suggested by Patte and Terry was the Omaha/Lincoln Rail Study. That issue will be on the Agenda. Mr. Werner asked if Impact Fees would be on the Agenda? Mr. Friendt observed that Omaha is not going to implement Impact Fees.

Mr. Bowen brought forward discussion on Pre-Councils. He observed that last week there had been a preference stated by Council to not have 'group meetings' but have Pre-Council's instead. He stated that group meetings had been proposed to advise Council Members, informally, to get direction from Council before we come to you through the formal channels of pre-councils.

Mr. Bowen stated that they would still try to plan for group meetings when it is appropriate or when it is possible...looking at it as a way to save Council Members' time. He stated that he had two such items now. One is water changes coming through in the next month or so. These are fairly substantial changes that have not occurred. It's an updating of the Code. Ms. Harrell noted that they are very technical in nature, but they're substantive in the sense of the ownership of some of the infrastructure. Mr. Bowen stated that he would have the industry put together a memo, then you can decide if you want either a briefing or a pre-council on that. He noted he would ask again at another "noon" meeting. He stated that Council would get the memo in the next 10 days.

Mr. Camp said that he would like to make a comment. He has heard from several colleagues and he also had heard from Planning on the briefings...he reiterated that Council does not want briefings. The Pre-Council is the avenue of form that they want to pursue. Council Members agreed that they would prefer to have the meetings on Monday as Pre-Councils rather than receiving the information piecemeal at random times through the week. Though this was again stated quite clearly, it seemed that the 'Pre-Council only' concept was not being routed through Mr. Bowen's conscious thought process, as he further stated that the briefings could be grouped together when they knew Council Members were in the Building on other matters.

Mr. Camp stated that a pay-increase would help. Council members noted an article in Governing magazine regarding a Council group that received \$85,000 per year and were complaining.

Mr. Bowen continued with his Pre-Council report. He stated that the Police/Fire Trust will be coming back to Council on the 20<sup>th</sup> as a Pre-Council. He thought the material would be in the packet a week from this coming Thursday so Council would have a chance to review it. If Council Members have any ideas on this, now or next week would be the best time to get those to them so it could be included in the packet material.

There were two other issues which Mr. Bowen wanted to address. One was in regard to the letters that the Mayor has sent to the Congressional delegation on the Senate side, and to the Secretary of Agriculture regarding some jobs on the Federal level that we're trying to keep here in Lincoln. This is a regional office for the Federal government that maintains a presence here and has for many, many years. We have many offices like that which are not very well discussed and not very well known, but which do contribute quite a bit to the base of Lincoln's economy - because other businesses are here because of them.

The letter we sent to the two Senators regarding the internet tax legislation is not directly on the internet tax itself, but the impact it may have on franchises fees; and how, if someone at the Federal level changes that, it could greatly effect us.

V. MEETINGS/INVITATIONS - Noted Without Significant Comment

VI. MISCELLANEOUS - None

VII. COUNCIL MEMBERS -

JON CAMP - No Further Comments

JONATHAN COOK - Mr. Cook reported that the Stransky Park dedication is back on. It had been postponed until next year. Finally, after a number of dates were bandied about, they settled upon Sunday, October 26<sup>th</sup> at 2:00 p.m. Ms. McRoy asked if that would be this year? Mr. Cook responded that, yes, it would be this year.

Mr. Cook stated that the other thing he wanted to ask about was a call he had received from the 10/11 News Station regarding a letter he knew nothing about. The reporter seemed very excited about this as something new. This is not something of which Mr. Cook had been aware, but he did ask Dana for a copy of the letter after seeing the report and being contacted. The reporter said that she had received a copy of the letter anonymously. There was also a press release from the Lancaster County Republican Party that was rather unpleasantly worded. Mr. Cook stated that he did not understand Mr. Camp's comments on this during the report - when it was stated that there had been some inappropriate questions or something like that. Mr. Cook asked if there was a problem with the letter. As Mr. Cook understood it, the letter wasn't going to be sent, because Mr. Camp didn't feel it should be sent. Mr. Cook asked "what's the story?"

Mr. Camp stated that he did not understand what is going on here, or who presented this to them. There is nothing there. Mr. Camp stated that he had talked to Dana and he pulled the letter. Apparently there had been a fax sent to the Accountability and Disclosure Commission. He said he did not know who sent those. Mr. Werner asked who sent it to Channel 10? He asked who got the letter - just Jon and himself, isn't that right Dana? Mr. Roper responded "yes".

Mr. Werner noted that he didn't send it. Mr. Camp said he didn't. Mr. Cook noted that it is not a letter that actually made it to Accountability and Disclosure, so he was not sure how it was faxed to a television station. Mr. Svoboda stated that it had been his understanding that there had been a fax that went to Accountability and Disclosure, but he did not know who the fax came from. He said that was all he knew other than seeing a copy of that letter.

Mr. Camp stated that he had seen a copy of the fax that Channel 10 had received and the heading at the top stated that it had been sent from Homeless Suites. Mr. Werner reported that there had been notes on the fax - that looked like Mr. Camp's notes....stating different things at the top of the letter. Mr. Camp stated to Mr. Werner that if he wanted to make an accusation, "let's get it out". Mr. Werner answered that the notes looked like Mr. Camp's notes. Mr. Camp stated that they are not his notes. Mr. Camp stated that he did not send it to anyone. Mr. Werner asked how they [the press] had gotten a copy of that letter then....if Mr. Camp and Mr. Werner were the only ones who had it. Mr. Camp asked how that did happen. Mr. Werner stated that that is what he is asking.

Mr. Camp said that he did not know what is going on in this whole discretionary thing. The first question that was there...we've operated using Discretionary funds for...that were left over. He hoped that this body will work toward re-instating those [funds] this next year.

Mr. Camp stated that to him this has the smell of some problem. He said that he did not want to give an interview to the reporter. She had already contacted Annette and Terry. He said that he had basically given a "no brainer" interview. Mr. Cook observed that it seemed strange that on probably the same day, or about the same time, there was a fax from the Republican Party criticizing Terry regarding this issue...that just seems like an amazing coincidence that both of those things would have arrived at the TV station at the same time. The reporter wouldn't provide him with a copy of the press release from the [Republican] Party. Apparently, only 10/11 had received that.

Ms. Newman asked if Mr. Svoboda had gotten a phone call. Mr. Svoboda stated that he had not been contacted. Ms. Newman stated that the reporter had called her and she did not appreciate getting phone calls from the press about situations or issues that she knew nothing about. Mr. Friendt noted that he had been tracked down in Savannah, Georgia for a comment. Mr. Friendt stated that he had asked for a copy of it when he got back, just to find out what it was about. Ms. McRoy stated that they had caught her in the office after her Planning Commission meeting. The reporter did not know what the Discretionary Funds were for....Ms. McRoy explained to her how the Council used them. Ms. McRoy stated that she did not know anything about this and couldn't care less. She thought Council had finished this issue.

Mr. Camp said that he thought it was a non-story. But a key thing of it, he felt, is the way Jonathan is reacting. There is something behind this from some place. Ms. Newman asked where it came from. Several Council Members stated that that is what they would like to know.

Mr. Camp stated that it is a fact that at Accountability and Disclosure Commission no one will say who sent it, what it was, or anything - but there is a fax. About this letter getting out...what is interesting is that he went to the station when they interviewed him, because he was the last one at 9:00 p.m. - after a meeting he had attended. He saw the letter from the Republican Party. Also, there was one on its way from the Democratic Party. So, the reporter had solicited those. Mr. Cook directed his remarks to Mr. Cook, stating that to start throwing accusations on a political basis - he wouldn't go there.

Mr. Werner asked how the Republican Party get a copy of the letter? Mr. Friendt stated that when Laura talked to him in Savannah, she made it sound like she was going to call both County parties. Mr. Camp said that he thought she was the one that contacted the parties. Mr. Cook stated

that she had claimed that she had received this from the chair of the Lancaster County Republican Party and he asked her if she had talked to the Democratic Party Chair for a response? She said, no she hadn't done that.

Mr. Camp asked if she had received the letter? Mr. Cook said it had been a copy of the press release. The press release which was specifically for them at 10/11 and she said that she couldn't give Mr. Cook a copy without talking to her superiors, because this might be a confidential matter. So, the fact that she (at the time he had asked her) had not solicited anything from the Democratic Party made him wonder....she wasn't clearly reaching out to both [sides]. As Mr. Cook understood it, she had received something from the Republican Party and then, only due to Mr. Cook's inquiry about contacting the Democratic Party, did she perhaps talk to someone on the other side.

Mr. Werner stated that someone must have sent the letter to the Republican Party, because the reporter had called him on Wednesday referring to it. He told her that there had been a letter that he had seen, but this is a non-story, as far as Mr. Werner was concerned. He stated that she had not told him about the letter from [inaudible] until she tracked him down at Haymarket Park Wednesday night. The letter was clearly hand-delivered because it was in color. He assumed that she had gotten that on Wednesday.

Mr. Werner continued, noting that the point is that he does not appreciate Council Members sending that kind of stuff, just for the point of making an issue out of something that is not an issue. The fax...the press release...from the Republican Party was very nasty in its comments about Mr. Werner. He did not appreciate that either. Mr. Werner said to Mr. Camp: "Jon, if you and I are the only ones that got the letter,....I certainly did not send it to the Republican Party".

Mr. Friendt stated that he did not know if it is a non-issue. It seems like if it wasn't going to be sent, then it is a non-issue. Mr. Werner stated then, it becomes another issue. He felt the letter should be sent. He would like to know what the Council's options are. He has a staff person. He felt this [Discretionary funding] is very important. He felt Council needed to know the answer to these questions. He offered, if the Council didn't want Dana to send it, that he would send his own letter [to Accountability and Disclosure]. Ms. McRoy asked if this was never sent? Mr. Roper indicated that the draft had never been sent. Ms. McRoy asked if this is just a draft that 'got out'?

Mr. Werner stated that Dana had talked to both Jon and himself in Mr. Werner's office and it was suggested that Dana draft the letter. Mr. Roper had given them a copy on Monday. Mr. Werner stated that he thought it was okay to send. He didn't know what Mr. Camp's response to that was.

Mr. Camp stated that he had called Dana Tuesday morning. When he talked to Dana, he said he'd really rather talk with the Council more about it before sending it. He didn't agree with that first point of the letter.

Mr. Camp stated that he was sensing some undercurrents here among the Council Members. He said he did not know where all this came from, but he didn't appreciate being accused of things that he didn't do. He feels like that is what a couple of Council Members were doing. In fact, he could come out - when he heard about this, he thought it was coming from quote - "the other side". I said this isn't a Democrat or a Republican thing. Mr. Camp suggested it might be the reporter trying to dig up something.

Mr. Cook stated that if your party is sending out press releases you don't know about, or copies of letters that they may have gotten a hold of without your knowledge....maybe that is what is happening. You probably need to talk to them about what is going on there....how letters that actually weren't being sent and were only provided to a couple of Council Members are ending up at the TV Station.

Mr. Cook asked if we *want* to send some type of letter like this? Do you have a problem with these questions, or should there be some other questions asked? Is this something that we should have Dana follow up on?

Mr. Friendt stated that, personally, his conversation with Dana was to determine if there had been some direction to him to do this? Mr. Friendt stated that it does look political to him. Mr. Roper has assured him that that is not the case. It was a good intention to head off this issue. But, Mr. Friendt stated that he thought it had already been decided. We weren't going to have funds, but we figured out a way to retain Darrell, and this looked like a very thinly disguised come-back to see if we couldn't be eliminated from the option. So, Mr. Friendt's feeling was that if Mr. Werner finds it important, he ought to make the direct recommendation. He didn't think we should be taking our City Attorney's time to do this. If Mr. Werner has a question, he ought to pose it, then we'll know.

Mr. Cook stated that this had been a complete surprise to him and indicated that he had no clue about this until he'd gotten the call from a reporter. Ms. Newman asked where the idea came from in the first place. She had understood that the Chair and the Vice-Chair decided this was an appropriate question to ask. Mr. Werner noted that he thought that had been the assumption, too. He noted that when the three of them had met, they had asked Dana to draft a letter. Mr. Werner commented that he thought Mr. Camp was the one who had requested Mr. Roper to draft something for review. Mr. Werner stated that it had seemed appropriate to him.

Mr. Werner stated that he thinks it is an issue that the City Attorney should be working on. If the Council doesn't agree, he would send his own letter. If the public asks, we should have an answer. The City Attorney should actually make a ruling on that.

Mr. Svoboda stated that Mr. Werner's question in the letter relates more to a volunteer coming and using public.... Mr. Werner stated that he had not asked these questions. These are the questions drafted in Dana's letter. Mr. Svoboda continued, noting that that is really the issue - not as it relates to Darrell, since nothing has changed with his position in the six\* years that he has been paid staff here. Mr. Werner stated that there are two people paid with discretionary funds - Susan and Darrell. Mr. Svoboda asked if Mr. Werner was still paying Susan with Discretionary Funds - she is not a volunteer? Mr. Werner stated that that was absolutely the case.

Mr. Cook said that he would be completely surprised if the answer to question one was "no". He had never even thought that that was a question to ask....about whether carry-over funds could be used to continue to pay [support staff]. He noted that it had never occurred to him that it might not be proper. Mr. Camp stated that that is what caught him off guard when he had read it. Then, when he and Dana had talked Tuesday morning, he had said he would like to visit Ken and Glenn, because they are both affiliated with Darrell, too.

Mr. Cook asked if Mr. Camp cared if the question is asked, now that it is in this letter that has been out on TV? He assumed that the answer will be what we expect it to be, and that will take care of the issue. Mr. Camp stated that he had not had a chance to talk to Ken and Glenn. Mr. Svoboda stated that he didn't feel question one was appropriate, because that is an internal policy that has been established here. It's been six\* years or more since staff has been paid with discretionary funds, so he did not know why it would be an issue for Accountability and Disclosure at this point. The other question really relates to that of a volunteer. That is probably a good question to ask. Mr. Cook stated that, even in relation to volunteers, there ought to be an additional question on that relating to the circumstance that someone else provides the volunteer for you and that volunteer is on someone else's payroll - is that a volunteer or is that paid by an outside entity? That might be a reasonable question.

Mr. Svoboda stated that it would be very difficult to tie anything to that - if an individual is paying somebody to sit down here. Mr. Cook stated that there might be a reporting requirement. He only brought it up because some years back, Jon was trying raise some money for staff purposes and A&D said that wasn't proper because it was like raising campaign money for that purpose. How do you differentiate between campaign money and other money that might be raised or paid by an outside entity? They might clearly distinguish between the two, but they might have certain reporting requirements. If you're going to ask about volunteers, that would be an appropriate additional question. He noted that he didn't care about question number one. It's up to Terry if he sends a letter. If Dana sends it, we can tell him what questions we want to add.

Ms. McRoy stated that if Council decides to do this, and she didn't really care, but in talking about volunteers - thinking about those folks who sit out front at the volunteer desk.... Let's not be so broad in our inspection that we hurt the City's volunteers. Mr. Friendt commented "or so narrow in our thinking". Ms. McRoy commented that she was thinking of the computer out there at the desk, but she was sure that there were other volunteers at the Aging Department who utilize City resources, and that she wouldn't want to interfere with that. Mr. Werner noted that those volunteers do not work for elected officials.

This discussion continued briefly with mounting recriminations on both sides. The final decision was to allow Mr. Werner to send a letter to State Accountability and Disclosure Office.

\*Discretionary Funds have been available to Council since 1999.

GLENN FRIENDT - No Further Comments

ANNETTE McROY - No Further Comments

PATTE NEWMAN - No Further Comments

KEN SVOBODA - No Further Comments

TERRY WERNER - Mr. Werner asked when the Planning Commission appointments would be on the Agenda. Mr. Bowen stated that they would be introduced on the 13th and be on the Agenda of the 20th for public hearing and action. Mr. Werner asked if it was going to matter what action the County Commissioners take on it? Would we still vote on it? Mr. Bowen answered that the County Board has it on their Agenda for tomorrow. Mr. Werner asked what if the Commissioners vote the nominees down? Mr. Bowen stated that then, the Mayor and Council would have to decide what action to take. Perhaps we can discuss that next week - because both bodies have to approve the nominations. Mr. Werner affirmed that he would like to vote on it [no matter what the Commissioners action might be]. He didn't think Council wanted to give this power to County Commissioners, to be able to rush in and do a vote before we even have anything to say about it. We might just as well not vote, if that is the case. Mr. Werner stated that he would vote to proceed with the nominating process whether it's a moot issue or not. Ms. Newman stated that she agreed.

Mr. Svoboda commented that the expiration dates on the terms of those three Planning Commission Members was August 24th, so anything we do to vote on it would be towards the latter part of October and then, by chance the County Board votes any one or all three of those individuals down and we vote them up, as a body, obviously, everybody goes back to the drawing table. He strongly urged that before it comes to Council that there be some consensus built between the County

Board and the Mayor's Office. Otherwise we'll be looking well into November for the finalizing of these appointments. Mr. Bowen stated that the Council has input on the issue, too.

Mr. Svoboda stated that yes, but there is a perception that the three individuals will be passed by the Council and obviously not by the County Board because that is what he has been hearing from some of the Board Members.

Mr. Werner declared that he was not willing to give up or in to them and let them make our decisions. Mr. Camp noted that it wasn't "our" decision....it is a joint decision of the Lancaster Board and the City Council. Mr. Werner said that was right, and he wants a chance to vote on it. Everyone agreed that that would be fine since it is the Council's responsibility.

ANN HARRELL - No Further Comments

MARK BOWEN - No Further Comments

CORRI KIELTY - No Further Comments

DANA ROPER - No Further Comments

**VIII. MEETING ADJOURNED** - Approximately 12:35 p.m.

cm100603/jvr